UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

SECOND COMMITTEE
3rd meeting
held on
Tuesday, 3 October 1995
at 3 p.m.
New York

SUMMARY RECORD OF THE 3rd MEETING

Chairman: Mr. PETRESKI (The former Yugoslav Republic of Macedonia)

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GENERAL DEBATE

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Distr. GENERAL
A/C.2/50/SR.3
11 October 1995

ORIGINAL: ENGLISH

95-81191 (E)

The meeting was called to order at 3.10 p.m.

GENERAL DEBATE

1. Mr. MILLERON (Under-Secretary-General for Economic and Social Information and Policy Analysis) said that the world economy had experienced sustained growth during the past year and that the rate of growth was expected to increase to approximately 3 per cent during 1996. Growth had not accelerated in the developed countries, particularly those in Europe. The economic situation in the countries of Eastern Europe had improved, particularly in the Russian Federation. As a group, the developing countries were expected to grow by 5 per cent during 1995. Output in sub-Saharan Africa, and in Africa as a whole, was expected to rise in 1995 at a higher rate than the population, which would yield the first increase in per capita income for some time in that part of the world.

2. World trade was expanding as well, and for a number of years private funds had comprised the largest share of transfers from developed to developing countries. The positive outlook for the long-term growth of the world economy could be broadly attributed to the liberalization and globalization of the world economy and to the dissemination of technology. That optimism notwithstanding, very serious problems persisted in various parts of the world, particularly in Africa. Discussion could usefully focus on how to help the more disadvantaged countries benefit from the favourable international economic climate.

3. The Department would play a major role in the follow-up activities of a number of recent conferences dealing with matters within its purview, and it would accord high priority to disseminating information on those sectors. He was particularly pleased to note that sales of the Department's report on the Fourth World Conference on Women were strong. In cooperation with the United Nations Population Fund, his Department would continue to provide demographic analyses to facilitate the work of the Commission on Population and Development as it focused on ensuring an integrated approach to development and population problems. The question of international migration would assume increasing importance in the coming years, and the Department stood ready to provide the required input to prepare the way for possible future multilateral negotiations on that complex issue.

4. The Department's report on the developing country debt situation as of mid-1995 (A/50/379) emphasized the need for an integrated approach that brought debt obligations in line with a country's capacity to pay. Increased attention must be devoted to multilateral debt. On the subject of financing for development, he noted that the problem was not so much that there had been a decline in global savings, but that the level of savings differed from region to region. The Department would accord priority to preparing analyses which integrated economic and social factors on the one hand with political factors on the other, with a view, inter alia, to contributing to the resolution of post-conflict peace-building problems.

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5. The Department would continue to provide the Committee with up-to-date information on economic measures as a means of political and economic coercion against developing countries and on economic assistance to States affected by the implementation of the Security Council resolutions imposing sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro). A dialogue on the statistical activities of the United Nations system would be useful, and he emphasized that the question of whether statistical activities should be decentralized, along either substantive or geographical lines, should be approached with an open mind.

6. In conclusion, he assured the Committee that the Department would continue actively to follow up on the work of the Committee notwithstanding the departure from the Department of Mr. Cristian Ossa, who had been responsible for reports on economic issues.

7. Mr. MABILANGAN (Philippines), speaking on behalf of the Group of 77 and China, said that the Committee must provide the leadership required to strengthen the ability of the United Nations to fulfil its role in the field of development. The core economic growth issues, including international trade, international finance, external debt and access to science and technology, must be restored to the top of the United Nations agenda. The States members of the Group of 77 and China were firmly committed to reforming the United Nations system in order to enable it fully to address the real concerns of its Members. Such reform required the equal participation of all Members in decision-making, and effective programme delivery must not be sacrificed to the reform effort.

8. The coordination role of the Economic and Social Council in the economic and social fields must be fully discharged in accordance with recent General Assembly resolutions and agreements reached at various international conferences dealing with development issues. The United Nations Conference on Trade and Development, the United Nations Industrial Development Organization, the Food and Agriculture Organization of the United Nations, other international organizations and the regional economic commissions must be strengthened in order to provide the General Assembly, through the Council, with substantive input for more analytical and policy-oriented work. The Bretton Woods institutions must be reformed to ensure greater democracy, universality and transparency in decision-making, and those institutions must improve and increase their coordination with other components of the United Nations system.

9. The question of institutional reform was of particular significance on the occasion of the fiftieth anniversary of the United Nations. Reforms to achieve economy and efficiency must be based on policy objectives, and not vice versa. In the economic and social fields, that meant that institutional reform ultimately required a development policy framework agreed to by all Member States and backed by sufficient resources. The countries on whose behalf he was speaking fully supported the streamlining of the United Nations system but could not accept moves to abolish the development agencies in the interests of achieving a "division of labour" or "comparative advantage", nor could they accept "downsizing" purely as a personnel reduction exercise. The fact that the international community had failed to implement the commitments envisaged in the existing agreed policy framework explained why the United Nations had not fulfilled its economic and social mandates.

10. The concerns of the developing countries must be reaffirmed in an action-oriented agenda for development. The relevant work of the ad hoc open-ended working group on an agenda for development should be scheduled so as not to conflict with other important meetings and so as to allow sufficient time to prepare for the next round of negotiations. The new agenda for development should provide policy guidance for the implementation of existing international commitments and should call for an increase in international resources to finance economic growth and development. The agenda should highlight the social and environmental aspects of development, including measures to eradicate poverty, hunger and disease and to ensure productive employment opportunities. He also underscored the importance of a comprehensive and system-wide examination by the international community of the phenomenon of international migration and the validity of convening a global conference on migration and development.

11. Sustained international cooperation for economic growth and development was an urgent requirement. The long-awaited peace dividend from the end of the East-West rivalry and the arms race had failed to materialize. The development efforts of developing countries continued to be undermined by protectionist measures against their exports, external debt and debt-service burdens, declining external resource flows - including a shift in the focus of development resources within the United Nations system at their expense - and inadequate access to technology. The international community must manifest the requisite political will to ensure an open, rule-based and equitable multilateral trading system. The system should be non-discriminatory, transparent and predictable and should strive to achieve the complete integration of the developing countries into the world economy.

12. He reiterated the need for the full implementation of the agreements reached at the Uruguay Round of multilateral trade negotiations and emphasized in particular the importance of the provisions relating to special and differential treatment for developing countries, particularly those which were least developed and net food importers. Adequate measures must be taken to mitigate any adverse effects on the developing countries which might result from the implementation of the Uruguay Round agreements, and he cautioned against the imposition of arbitrary restrictive trade measures in response to conditions in developing countries relating to the environment, labour laws, human rights and other social issues.

13. The countries on whose behalf he was speaking welcomed the increase in private foreign financial flows to many developing countries. Such flows, in particular foreign investment, increasingly should be directed to all developing countries and towards enhancing productive capacity. The international community should consider establishing transparent measures for monitoring short-term private flows in order to stimulate further investment and protect developing countries from the adverse effects of volatility in such flows.

14. The international community, particularly donor countries and international financial institutions, should adopt an effective, comprehensive and equitable solution to the continuing debt crisis affecting the developing countries. Measures also must be adopted to offset the social and other costs of structural adjustment.

15. The developing countries should have the opportunity to participate in, benefit from and contribute to rapid advances in science and technology, including environmentally sound, new and emerging technologies. The countries members of the Group of 77 and China hoped that the decisions resulting from the forthcoming United Nations Conference on Human Settlements (Habitat II) would lead to increased attention to the problems of human settlements in developing countries and to increased international cooperation to ensure adequate shelter for all. They also urged the convening of an international conference, preferably not later than 1997, on South-South cooperation. Such cooperation required strong support from other countries and international institutions.

16. With regard to the triennial policy review of operational activities for development of the United Nations system, he emphasized that if the United Nations was to be faithful to its mandate in the economic and social fields, it must respond effectively to the needs of the international community. The resources required for that purpose must be continuous, predictable and on an assured basis, and the operational activities of the United Nations system must be carried out within the framework of the national priorities of the developing countries. Any changes in existing funding mechanisms would have little impact, if any, without a strong political commitment to increased resources for operational activities for development.

17. Mr. LACLAUSTRA (Spain), speaking on behalf of the European Union, urged all delegations to reconsider the need for holding a general debate in the Second Committee, as there was already provision for discussion of the various items. Resolutions should not only be fewer and shorter, but should reflect consensus language. The clustering of issues under the various items should be reviewed. Once again, the delay in the issuance of documents created difficulties for an efficient consideration of almost all items and had implications for the Committee's programme of work.

18. The European Union remained strongly committed to the conclusion of a concise but substantial and innovative agenda for development at the earliest possible date during the current session of the Assembly.

19. The agreements reached by major United Nations conferences, which were based on the concept of people-centred sustainable development, should permeate the work of the Organization in the economic and social fields. Particular attention should be paid, during the current session of the General Assembly, to a coordinated follow-up of those major conferences and to the role of the United Nations in that regard. The European Union attached particular importance to the ongoing processes of reform of the United Nations system and to further consultations on the funding of operational activities for development in order to enable the United Nations system to provide a more focused, substantial and effective contribution to development cooperation.

20. The European Union welcomed the framework of legally binding conventions and concrete action plans that was emerging gradually, building on the accomplishments of the United Nations Conference on Environment and Development. The Commission on Sustainable Development had played a key role in ensuring an effective follow-up to the Rio Conference, and special efforts must now be devoted to an early preparation of the overall review and appraisal of

Agenda 21, to be conducted at a special session of the General Assembly devoted to considering actions to be taken in 1997 and beyond. The United Nations system should respond to the new approach to population questions taken by the International Conference on Population and Development through the collaborative efforts of the different parts of the system and an appropriate division of labour among them. However, ensuring national action to follow up on the International Conference on Population and Development was of crucial importance.

21. The Inter-Agency Task Force that was established for the implementation of the Programme of Action of the Conference could play a wider role and could be developed into a useful tool for the provision of operational guidelines for field activities. In that regard, the role of the resident coordinator was crucial. The revitalized Commission on Population and Development should also play an important role, especially in the evaluation and monitoring of implementation.

22. The World Summit for Social Development had demonstrated a political commitment to put people at the centre of development and had emphasized an integrated approach to social development that needed to be taken into account for its follow-up and implementation. The Commission for Social Development should play a major role in such follow-up. Another conference, the recently concluded Fourth World Conference on Women, represented a further advance on the path to achieving women's rights, equality and development.

23. The major United Nations conferences to be held in 1996, including a summit meeting on food security and Habitat II, would be highly relevant in the context of development. Better use should be made in future of the forum offered by the General Assembly, since special sessions of the General Assembly would be cost-effective and would enhance its profile.

24. In all processes of implementation, a review and assessment of priorities and a consideration of the system of allocation of available resources were needed to maximize their effective utilization. The impact of the United Nations system also needed to be improved. Overlapping, duplication, limited responsiveness and lack of transparency and accountability made it more difficult for the United Nations to deliver services of the quality required. Such shortcomings did not encourage much-needed additional financing. The European Union attached great importance to the triennial comprehensive policy review of operational activities for development of the United Nations system and the comprehensive review of the implementation of resolution 48/162 on restructuring and revitalization of the United Nations in the economic, social and related fields.

25. Mr. MONTOYA (Colombia) said that a comprehensive solution to the external debt problem was the only viable alternative that would enable developing countries to embark upon sustained economic growth. In the area of international trade, the optimism generated by the Final Act of Marrakesh had been dampened by the adoption of unilateral protectionist measures, the bilateral acceptance of restrictions and the refusal to recognize the World Trade Organization as the legitimate authority for settling conflicts relating to trade. In the area of the environment, key indicators of political will such

as financial resources, consumption patterns and transfer of technology continued to be disappointing. Despite recent progress in such areas as desertification, climate change and forests and biodiversity, the full implementation of Agenda 21 still continued to be hampered by the lack of political will and the unwillingness to commit appropriate resources. The mobilization of resources was also crucial if United Nations operational activities were to achieve the expected results. Funding must be increased so as to enable the United Nations to fulfil its mandate in the area of development.

26. The proposed agenda for development offered a unique opportunity to make social and economic development a top priority within the multilateral system. The promotion of sustained growth and the eradication of poverty should constitute its essential objectives. His delegation hoped that negotiations on the agenda would be concluded during the current session of the General Assembly. The real test of the agenda would not be limited to its content, but would extend to its implementation and follow-up.

27. New impetus must be given to the dialogue on international cooperation, based on the premise that the developing world was not an opponent, but rather a partner in the building of development and peace. It must also be based on the recognition of the fact that a genuine, stable and lasting peace would be impossible without more equitable international relations, and democratic decision-making and the eradication of poverty. A new attitude and determination were indispensable in order to engage in a more constructive dialogue.

28. Mr. WANG Xuexian (China) said that compared with 50 years previously, the United Nations was facing graver challenges in fulfilling its mission. Reform and opportunities had brought about changes in the speed of development; however national egoism, isolationism, protectionism and unilateralism, the persistence of poverty and the growing disparity between the North and the South were all eroding the establishment of an international consensus and disrupting the healthy operation of multilateral mechanisms and international cooperation.

29. At present, the international community was seeking measures to cope with new problems and challenges on a global scale. However, achieving coordinated economic, social and environmental development in order to attain a new level in human civilization was an immense task.

30. In the face of rapid changes and fierce competition, the United Nations should chart a new course for international cooperation by promoting equality, respect and friendly cooperation among States while upholding and promoting the purposes and principles of the Charter, particularly the principles of equality between States and non-interference in each others' internal affairs; promoting human progress in accordance with the trend of the times and the theme of development by emphasizing the revitalization of the economies of all countries and balanced development. The United Nations should also strengthen the new global partnership by ensuring that developed as well as developing countries fulfilled their commitments and obligations in the area of international cooperation. In that regard, because of their strength and influence in world trade, the developed countries were duty bound to provide considerable support

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to the developing countries in their efforts to close the huge gap between the North and the South. Lastly, the United Nations must invigorate multilateral cooperation mechanisms by adapting to the new development situation. To do so, the orgarization must, inter alia, enhance its contribution to the consideration of and control over macroeconomic policies, increase the say of the developing countries in international affairs and decision-making and facilitate the democratization of international economic relations.

31. Reform of the United Nations could not meet the challenges of the twenty-first century if trade, scientific and technological and industrial bodies of the United Nations system were weakened under the pretext of a differentiated international division of labour. The Organization could open up new prospects only by complying with the will of its general membership and abiding by the purposes of the Charter.

32. Mr. AMMARIN (Jordan) said that in the 50 years since the establishment of the United Nations, peace and security had been given a new dimension: that of the enhancement of international cooperation for development, economic growth, the alleviation of poverty and the preservation of the environment. The work of the Second Committee had accordingly acquired great importance.

33. However, as the world celebrated the fiftieth anniversary of the United Nations, global economic conditions remained sluggish. Stagnation, unemployment and the debt crisis persisted, and one third of the world's population continued to live in poverty. The current session of the General Assembly should provide an incentive to the strengthening of North-South cooperation and dialogue, which constituted the fundamental basis for enhancing international cooperation for development.

34. South-South cooperation was an essential step towards North-South dialogue and cooperation. The peace treaty recently signed between Jordan and Israel had come to represent a model for regional cooperation in a region where development and growth had been adversely affected by many years of conflict. That treaty went beyond ending the state of war to creating a partnership in a variety of development issues.

35. The Secretary-General's agenda for development was intended to serve as the basis for global cooperation. Jordan endorsed the agenda and was working to make progress on each of its five elements: peace, the economy, the environment, justice and democracy. With the advent of peace, Jordan expected economic growth to be stimulated as a result of a number of developments: a flow of investment capital to the country; the alleviation of the problem of unemployment; the establishment of a bank for regional development projects; forgiveness of Jordan's entire public debt to the United States and the reduction of the rest of the foreign debt to manageable levels; the development of the Jordan valley through cooperative ventures; the establishment of Jordan as a commercial gateway to the Arab world; the absorption of technological advances; and the modernization of the administrative system and decentralization.

36. Jordan, with its limited resources, had been subject to the harsh realities of the past three decades. In the light of those realities, it proposed the

inclusion of a bridging mechanism in the agenda for development for those countries which were undertaking a balanced approach towards achieving sustainable development, which might entail high costs in the short run. That bridging mechanism might include the adoption of "objective evaluation criteria" providing an objective measure of the performance of countries in achieving sustainable development on the basis of which countries with good records would be encouraged and helped; the establishment of a plan to help alleviate debt overhang and put a ceiling on debt repayment; the creation of a financial package to finance multinational projects which would enhance regional peace and cooperation; and the creation of a positive incentive system to help countries overcome the difficulties involved in establishing an open economy, including free trade, a dynamic role for the private sector and privatization.

37. South-South cooperation remained the prerequisite for moving towards North-South cooperation and thus achieving international cooperation for growth and development. In that context, he noted that a Middle East and North Africa economic summit conference would be held shortly in Amman. The primary objective of the conference would be to assess regional structures and policies essential for developing a region, and its four main themes would be trade, infrastructure, investment and finance, and the economic environment. On behalf of his Government, he invited all countries to participate in that important event.

38. Mr. GORELIK (Russian Federation) said it was becoming ever clearer that the way to a better future lay through the sustainable social and economic development which was inseparable from international security. Whether that development could be guaranteed by the globalization of the world economy and technological progress alone was not certain. It was already clear, however, that an increasingly interdependent world was bringing both new opportunities for economic growth and new problems. There was a growing need, therefore, to create a sound system for the monitoring of emerging crisis situations. The United Nations should not stand aside from that effort.

39. One of the most striking features of the current scene was the global integration of the transitional economies into the world economy. Not only the future of the countries involved but the prospects for global balanced development and the stability and predictability of international economic cooperation were largely dependent on the success of the reforms undertaken in those countries. Encouragement of that process by the multilateral organizations and the United Nations in particular could facilitate the process and ease the socially painful transition to a market economy.

40. Some steps in that direction had already been taken. However, the practical effect of such support by the United Nations could be substantially increased through enhanced system-wide coordination, institutional strengthening, including the improvement of the analytical component of such activities, and the mobilization of extrabudgetary resources for transition-related projects. His delegation welcomed the visible intensification of the activities in some of those areas conducted by United Nations programmes and funds, including the United Nations Development Programme (UNDP), United Nations Population Fund (UNFPA) and United Nations Children's Fund (UNICEF).

41. There was no doubt that, with time, the Russian Federation would join the group of the world's leading donor countries. To reach that goal, however, it would be necessary to pass successfully through the complex and critical stage of profound structural adjustment of the economy. There were signs that that transition was taking place successfully. Particularly important in that respect was the fact that the decrease in industrial output had been halted while growth had been registered in several basic sectors. The implementation of the second stage of privatization should become a powerful incentive to the Russian Federation's foreign partners to strengthen investment cooperation.

42. One of the key elements of Russia's strategy for integration into the world economy was its goal of joining the World Trade Organization. Coupled with other measures, that would contribute to the elimination of the remaining discriminatory restrictions on Russian exports and facilitate their access to the world market. The settlement of the debt situation was also important for the Russian Federation; it therefore welcomed the understanding reached in Halifax on the need for a comprehensive multilateral treatment of Russia's external public debt which would make possible its long-term restructuring. In turn, Russia was prepared to conduct talks with its debtors on the restructuring or other forms of easing of their debt burden, both on a bilateral basis and within the framework of the Paris Club.

43. Notable progress had been achieved in reforming the social and economic sector of the United Nations; however, much remained to be done to synchronize it with global economic changes. In his delegation's view, the agreed conclusions of the coordination segment of the Economic and Social Council's 1995 substantive session provided useful guidelines for that work. In the same context, the forthcoming review of the efficiency of the implementation of General Assembly resolution 48/162 would provide an opportunity to analyse and, if necessary, introduce needed adjustments into the practical interaction between the General Assembly and the Economic and Social Council, as well as to rationalize their agendas and strengthen the management and coordination of operational activities.

44. His delegation was not entirely satisfied with the pace of the work on elaborating an agenda for development. It was important to complete that work, and for the document concerned to become a synthesis of the recent decisions taken in major global forums, providing a set of targets for improving the efficiency of international cooperation to ensure the sustainable development of all countries. It was important also that the document should adequately reflect the "transition" phenomena and the need to elaborate a comprehensive strategy of international cooperation to support the countries with economies in transition at the current critical stage of their development.

45. The United Nations, through the Second Committee, should make a more substantive contribution to the issue of the "informatization" of the world economy and that the problem of military conversion deserved to be treated as a new substantive topic through which the United Nations could address the issues of the reallocation of human, financial and material resources from military to civilian needs. It would further encourage the operational activities the Department for Development Support and Management Services and UNDP were carrying out in Russia in that field. In the same context, it was worth

thinking over how to fully utilize the Organization's potential in order to minimize the consequences of man-made disasters. That seemed particularly relevant in view of the fact that 1996 would mark the tenth anniversary of the Chernobyl disaster.

The meeting rose at 4.55 p.m.